

701—240.7(423) Effective dates of taxation rate increases or decreases when certain services are furnished. Certain taxable services are usually furnished over an extended period of time (e.g., utilities, janitorial, and ministorage services), and the user of such a service is billed at regular intervals (e.g., monthly or quarterly). The beginning date when a rate change is imposed on the sales price of this type of service differs, depending upon whether a rate increase or rate decrease is involved. If the rate of taxation has been increased, the beginning date of the rate change shall be the first day of the first billing period occurring after the effective date of the rate increase. If the rate of taxation has been decreased, the beginning date of the rate change shall be the date on which the first bill for furnishing the service is rendered for payment, subsequent to the effective date of the rate decrease.

This rule is intended to implement 2005 Iowa Code chapter 423, subchapter IV.